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TONY WEST
TREASURER

December 29, 1998

Arizona Corporation Commission

DOCKETED

DEC 30 1998

Arizona Corporation Commission
Docket Control
1200 West Washington
Phoenix, AZ 85007

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Re: Electric Competition, Docket RE-00000C-94-0165, et al.

To All Parties of Interest:

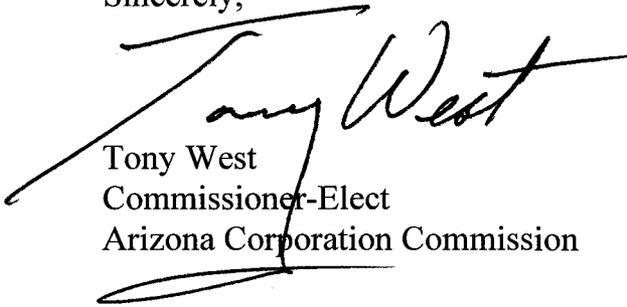
This letter shall serve as notice to all Parties of Interest in the Arizona Corporation Commission's Electric Restructuring proceedings, that it is my intention to review and, to the full extent allowable by law, reconsider all Decisions, rules and actions affecting the formulation of electric competition within the State of Arizona.

It is clear from the record that the Commission has failed to construct the proper regulatory structure on which all participants can confidently rely to adequately meet the needs of an evolving market. The Supreme Court has made known its concerns regarding the Commission's lack of adherence to due process, effectively staying the Commission from resolving significant legal and operational issues affecting Arizona Public Service and Tucson Electric Power.

To further confound the issue, the Commission has scheduled an Open Meeting on New Year's Eve, after the close of normal business hours when full and vigorous participation by all concerned parties is questionable at best. It appears as though the intent of the Commission is to establish electric competition on a piecemeal basis, without any compelling public interest argument. In fact, due to the lack of public disclosure and due process, there is an appearance that this Commission's actions are anti-consumer, anti-rate payor, and anti-competitive. It is my firm belief that reliance on any Decision, rule or action of the current Commission, by any participant in the electric competition process, will be done so at their own risk.

The actions of the Supreme Court serve to provide us all with an opportunity to build a regulatory structure that is in the public interest, recognizes due process, and benefits citizens of Arizona. These issues must be resolved. It is my intention to be a positive force within this process and I invite all other parties to focus their energies on the same objective.

Sincerely,



Tony West
Commissioner-Elect
Arizona Corporation Commission

TW/mem